

Annual Report 2013

XENOS AUTOMOTIVE LIMITED

CERTIFIED TRUE COPY

For Xenos Automotive Limited


Director



XENOS AUTOMOTIVE LIMITED

Directors

Mr.Vijay Mohan
Mr.S.A.Gopalakrishnan
Mr.N.Subramanian

Auditors

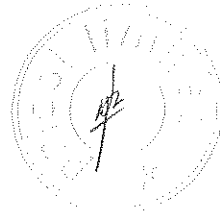
M/s.Haribhakti & Co.,
Chartered Accountants
Coimbatore

Bankers

Indian Overseas Bank

Registered Office

965, Harita Center, Avanashi Road
Coimbatore 641 037.
India



XENOS AUTOMOTIVE LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eleventh Annual General Meeting of the Shareholders of the Company will be held on Monday, 30th September 2013, at 1.30 p.m at 965, Harita Center, Avanashi road, Coimbatore 641 037, India to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit and Loss for the year ended 31st March 2013 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr.Vijay Mohan who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr.N.Subramanian (DIN:06631555), who was appointed as an additional Director of the Company on 19th July 2013 pursuant to the provisions of Section 260 of the Companies Act, 1956 and holds office up to the date of the Eleventh Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, in writing proposing his candidature to the office of the Director be and is hereby appointed as a Director of the Company, liable to retire by rotation."

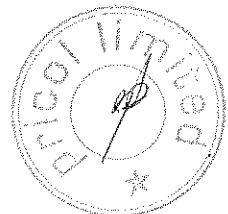
By Order of the Board


Vijay Mohan
Director

Coimbatore
24th September 2013

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS BEHALF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The shareholders are requested to give their consent for calling the Annual General Meeting at a shorter notice pursuant to the provisions of Section 171(2) of the Companies Act, 1956.
3. Explanatory statement pursuant to Section 173(2) is attached.



XENOS AUTOMOTIVE LIMITED

EXPLANATORY STATEMENT

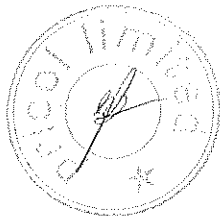
(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No: 4

The Board of Directors at their meeting held on 19th July 2013 appointed Mr.N.Subramanian (DIN:06631555) as additional Director to hold office upto the conclusion of the Eleventh Annual General Meeting. The Company has received notice pursuant to Section 257 of the Companies Act, 1956 proposing the candidature of Mr.N.Subramanian.

The resolution in Item No: 4 is therefore recommended for the approval of the Members.

None of the Directors other than Mr.N.Subramanian is concerned or interested in the resolution.



By Order of the Board

A handwritten signature in black ink that reads 'Vijay Mohan'.

Vijay Mohan
Director

Coimbatore
24th September 2013

XENOS AUTOMOTIVE LIMITED

DIRECTORS REPORT

Your Directors take pleasure in presenting their Eleventh Annual Report together with audited accounts of the Company for the year ended 31st March, 2013.

FINANCIAL RESULTS

Particulars	(Amount in Rs.)	
	Year ended	
	31.03.2013	31.03.2012
Net Sales and Service Charges	25,46,88,384	36,89,12,024
Profit / (Loss) before Tax	(9,38,37,246)	(9,31,04,955)
Less: Deferred Tax Liability	NIL	NIL
Profit / (Loss) after Tax	(9,38,37,246)	(9,31,04,955)
Balance brought forward	(48,57,12,152)	(39,26,07,197)
Balance carried to Balance Sheet	(57,95,49,399)	(48,57,12,152)

OPERATIONS & OUTLOOK

To meet the emerging challenges at market place, Xenos has restructured the organization in April'13, the effect of the same has already started paying the results and will further get enhanced in future.

Xenos has initiated many projects in last six months in areas of – sales & marketing, sourcing & supply chain, quality & service, and Accounts & finance to take the leadership position in days to come.

New Product range:

The launch of new XUP range in Bangkok Conference was a instant hit with the existing channel partners, who showed keen interest to double their business with the help of new range.

Xenos entry into own Manufacturing:

The initiative to start own manufacturing at Coimbatore has further boosted company's image in the market.

This will enhance the chances of entry into the new channels such as OEM, OES and showroom business, which will further augment company's overall performance this year.

World class Service:

Service toll free number has been put in to the practice to ensure that the service is provided to the end users within 24 hrs.

This will change Xenos image in market on service related front by offering door step service, which will result in better sales performance.

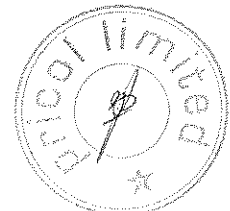
Sales and Marketing:

Innovative and market friendly schemes supported with Quality and world class service has boosted the confidence of the channel partners.

Initiatives such as XUP Club , Golden Bangkok Scheme has helped to increase both sales and collection by 30% in H1 over LY.

DIVIDEND

As there is no distributable profit, no dividend has been recommended for the financial year ended 31st March 2013.



DIRECTORS

Mr.Vijay Mohan, Director retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

The Board has appointed Mr.N.Subramanian as additional director of the company with effect from 19th July 2013 under section 260 of the Companies Act, 1956. He vacates office on the date of the forthcoming Eleventh Annual General Meeting and is eligible for appointment.

Mr.K.N.Subramanian has resigned his directorship from the Board of the Company with effect from 19th July 2013. The Board appreciated the valuable services rendered by him during their tenure of office as Directors of the Company.

AUDITORS

The Auditors of the Company, M/s. Haribhakti & Co., Chartered Accountants, Coimbatore, retire at the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received a letter from them, stating that the appointment, if made, will be within the limit prescribed under Section 224 (1B) of the Companies Act, 1956.

COMPLIANCE CERTIFICATE

Compliance Certificate issued by M/s.JMACS Associates, Company Secretaries, Coimbatore pursuant to section 383A(1) of the Companies Act, 1956 is attached.

PUBLIC DEPOSITS

The Company has not accepted any fixed deposit from public during the year under review.

PERSONNEL

Your Company has no employees drawing remuneration as prescribed under Section 217(2A) of the Companies Act, 1956, during the period under review.

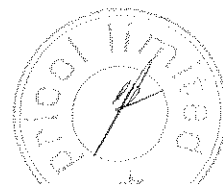
INFORMATION AS PER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956

The Company has no activities relating to conservation of energy or technology absorption. The Company did not have foreign exchange earnings during the year and the foreign exchange expenditure incurred during the year is Rs.12,29,29,593

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- a) In the preparation of annual accounts for the financial year ended 31st March 2013, the applicable accounting standards have been followed.
- b) They had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for the year under review;



- c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities and
- d) They had prepared the annual accounts for the financial year ended 31st March 2013, on a going concern basis.

ACKNOWLEDGEMENTS

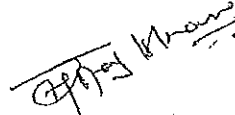
Your Directors gratefully acknowledge the continued support and co-operation received from Pricol Limited, Distributors, Customers, Shareholders and Bankers.

The Directors wish to place on record their appreciation to the entire work force for their co-operation and commitment.

For and on behalf of the Board



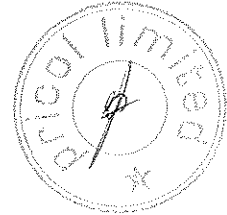
Vijay Mohan



S.A. Gopalakrishnan

Directors

Coimbatore, 24th September 2013





JMACS ASSOCIATES
COMPANY SECRETARIES

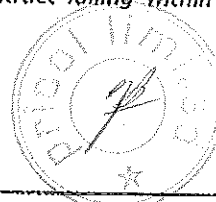
FORM
[See Rule 3]
Compliance Certificate

To

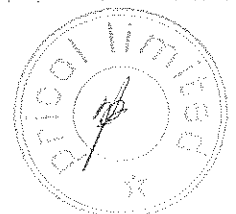
The Members
XENOS AUTOMOTIVE LIMITED
CIN NO: U2930BTZ2002PLC010356

We have examined the registers, records, books and papers of the above Company as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2013. In our opinion and to the best of our information and according to the examinations carried out by us and the explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act, the rules made there under, and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited Company, the comments are not required.
4. The Board of Directors duly met 6 (Six) times on 25.05.2012, 20.08.2012, 21.09.2012, 23.10.2012, 23.11.2012 and 30.03.2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company is not required to close its Register of Members, and/or Debenture holders during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March 2012 was held on 28.09.2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minute Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of Section 297 of the Act.



10. *The company has made necessary entries in the register maintained under section 301(3) of the Act.*
11. *As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.*
12. *The Company has not issued any duplicate share certificate during the financial year.*
13. *The Company*
 - a. *has delivered all the certificates on transfer and there was no allotment /transmission of securities during the financial year.*
 - b. *has not deposited any amount in separate bank account as no dividend was declared / paid during the financial year.*
 - c. *has not required to post warrants to any member of the company as no dividend was declared /paid during the financial year.*
 - d. *has no amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years for transfer to Investor Education and Protection Fund*
 - e. *has duly complied with the requirements of section 217 of the Act.*
14. *The Board of Directors of the company is duly constituted and the re-appointment of Directors has been duly made.*
15. *The Company has not appointed any Managing Director/ Whole time Director/ Manager during the financial year.*
16. *The Company has not appointed any sole selling agents during the financial year.*
17. *The company was not required to obtain any approvals of the Central Government, company Law Board, Regional Director, Registrar and /or such authorities prescribed under the various provisions of the Act during the financial year.*
18. *The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to provisions of the Act and the rules made there under.*
19. *The Company has not issued any shares, debentures or other securities during the financial year.*
20. *The Company has not bought back any shares during the financial year.*
21. *There was no redemption of preference shares or debentures during the financial year.*






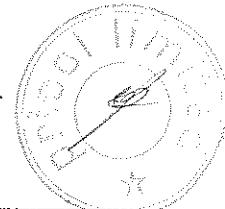
JMACS ASSOCIATES
COMPANY SECRETARIES

22. There were no transactions necessitating the company to keep in abeyance rights to dividends, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the company from directors, members, public, financial institutions, banks and others during the financial year are within the borrowing limits of the company and the necessary resolution as per section 293 (1)(d) of the Act have been passed in the duly convened Annual general meeting.
25. The Company has not made any loans or advances or investments or given guarantees or provide securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was/were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security deposit from the employees during the year under certification.
33. The provisions of section 418 is not applicable since Provident Fund Trust has not been constituted by the Company for the employees.

Place: Colimbatore
Date: 24.09.2013




K. Muthusamy
Company Secretary
M. No: F 5865 CP No: 3176



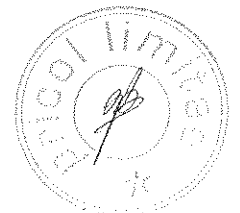
ANNEXURE - 'A'
Registers maintained by the Company

- | | |
|--|---------|
| 1. Register of Members | U/s 150 |
| 2. Register of Charges | U/s 143 |
| 3. Index of Members | U/s 151 |
| 4. Minutes Book of Board Meetings | U/s 193 |
| 5. Minutes Book of General Meetings | U/s 193 |
| 6. Register of contracts, Companies /firms in which Directors are interested | U/s 301 |
| 7. Register of Directors, Managing Directors, Manager and Secretary | U/s 303 |
| 8. Register of Director's shareholding | U/s 307 |

Notes: No other registers were maintained as it was informed that there were no entries / transactions to be recorded.

ANNEXURE - 'B'
Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government and other authorities during the year.

S.NO	FORMS	SECTION	SERVICE	DATE OF FILING
1	18	146	Change of Registered office	08.06.2012
2	66	383A(1)	Secretarial compliance Certificate dt 31.03.2012	26.10.2012
3	23AC& 23ACA	220	Annual Accounts for the year 31.03.2012	21.11.2012
4	20B	159(1)	Annual Return as on dt 28.09.2012	27.11.2012



INDEPENDENT AUDITORS' REPORT**To the Members of Xenos Automotive Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Xenos Automotive Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

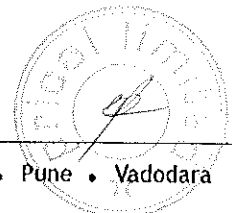
Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



Other offices: _____

Ahmedabad • Bengaluru • Chennai • Hyderabad • Jaipur • Kolkata • Mumbai • New Delhi • Pune • Vadodara



HARIBHAKTI & CO.

Chartered Accountants

Continuation Sheet

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W



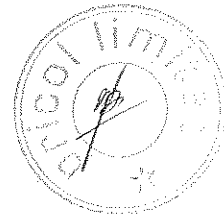
C.S.Sathyanarayanan

Partner

Membership No.028328

Coimbatore

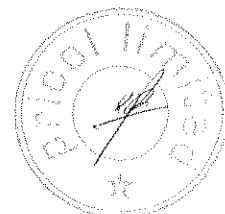
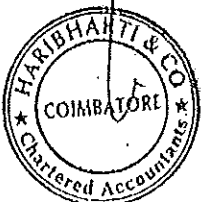
24.09.2013



ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Xenos Automotive Limited on the financial statements for the year ended 31st March, 2013]

- (i) (a) *The Company is in the process of updating its fixed asset register.*
- (b) The fixed assets of the company have been physically verified by the management during the year.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and material discrepancies noticed on physical verification have been properly dealt with in the books of accounts.
- (iii) (a) As Informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has taken an unsecured loan of ₹ 28.19 Crores from its director. The maximum amount involved during the year was ₹ 10.19 Crores and the year-end balance of loans is ₹ 28.19 Crores. The company has not taken any loans or advances other than the above from companies, firms or other parties covered in the Register maintained under section 301 of the Companies Act, 1956.
- (c) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.

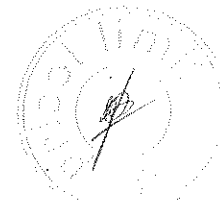


- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of ₹ five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including investor education and protection fund, , income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it *except in respect of provident fund and employees state insurance where the payments were irregular.*

(b) According to the information and explanations given to us, undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Nature of the dues	Amount	Period to which the amount relates	Due Date	Date of Payment
Professional tax	₹ 2,62,686/-	September 2012	Various dates	Not paid as on the date of audit report.

- (x) In our opinion, the accumulated losses of the company are more than fifty percent of its net worth. Further, the company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution and bank.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.



HARIBHAKTI & CO.

Chartered Accountants

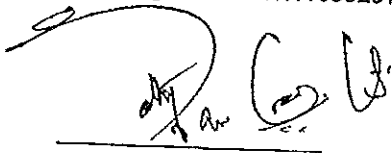
Continuation Sheet

- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the company has given a guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) In our opinion, the term loans have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the prices at which shares have been issued is not prejudicial to the interest of the company.
- (xix) According to the information and explanations given to us, no debentures have been issued by the company during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.103523W



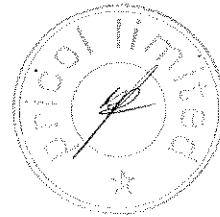
C.S.Sathyanarayanan

Partner

Membership No.028328

Coimbatore

24.09.2013



XENOS AUTOMOTIVE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2013

(Amount in ₹)

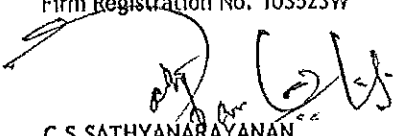
PARTICULARS	Note No.	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share Capital	2.1	3,40,00,000	3,40,00,000
Reserves and Surplus	2.2	(57,95,49,399)	(48,57,12,152)
Non-Current liabilities			
Long-Term borrowings	2.3	28,19,00,000	18,05,55,729
Other Long Term Liabilities	2.4	36,05,85,938	36,20,04,418
Current liabilities			
Short-Term Borrowings	2.5	5,97,89,156	8,14,96,040
Trade Payables	2.6	2,24,86,204	4,23,51,258
Other Current Liabilities	2.7	1,60,07,913	1,79,96,504
TOTAL		19,52,19,812	23,26,91,797
ASSETS			
Non-Current assets			
Fixed Assets (Tangible Assets)	2.8	1,47,37,664	1,18,68,900
Long-Term Loans and Advances	2.9	48,37,921	1,01,04,328
Other Non-Current assets	2.10	8,83,461	11,25,851
Current assets			
Inventories	2.11	6,99,72,199	7,32,60,217
Trade Receivables	2.12	5,78,93,561	8,06,00,222
Cash and Cash Equivalents	2.13	3,46,30,198	3,21,66,637
Short Term Loans and Advances	2.14	1,19,95,714	2,33,10,531
Other Current Assets	2.15	2,69,094	2,55,111
TOTAL		19,52,19,812	23,26,91,797

Significant Accounting Policies & Notes to Financial Statements

1&2

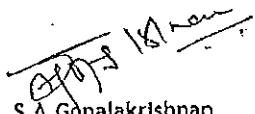
Vide our report of date attached
For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W

For and on behalf of the Board of Directors

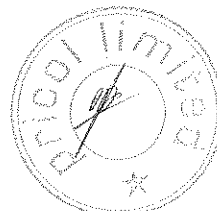

C.S.SATHYANARAYANAN
Partner
Membership No. 028328




Vijay Mohan
Director


S.A. Gopalakrishnan
Director

Place : Coimbatore
Date : 24.09.2013



XENOS AUTOMOTIVE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2013

(Amount in ₹)

PARTICULARS	Note No.	31/03/2013	31/03/2012
I. Revenue from Operations	2.16	25,46,88,384	36,89,12,024
II. Other Income	2.17	35,43,339	84,68,823
III. Total Revenue (I + II)		25,82,31,723	37,73,80,847
IV. Expenses:			
Purchases of Stock-in-Trade		19,47,32,526	28,03,67,736
Changes in Inventories	2.18	32,88,018	2,13,79,469
Employee Benefits Expense	2.19	6,35,37,192	6,97,80,168
Finance Costs	2.20	1,05,60,549	1,00,99,050
Depreciation and Amortization Expense	2.8	30,28,574	31,19,932
Other Expenses	2.21	7,64,79,014	8,55,12,663
Total Expenses		35,16,25,873	47,02,59,018
V. Profit/(Loss) before Tax (III-IV)		(9,33,94,150)	(9,28,78,171)
VI. Tax expense:			
- Tax for Earlier Years		4,43,096	2,26,784
VII Profit/(Loss) for the period (V-VI)		(9,38,37,246)	(9,31,04,955)
VIII Earnings per Equity Share:	2.25		
- Basic & Diluted		(27.60)	(31.11)

Significant Accounting Policies & Notes to Financial Statements

1&2

Vide our report of date attached
 For Haribhakti & Co.
 Chartered Accountants
 Firm Registration No. 103523W

(Signature)
C.S.SATHYANARAYANAN
 Partner
 Membership No. 028328

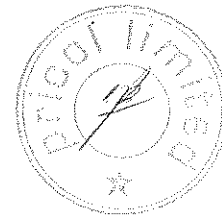
Place :Coimbatore
 Date : 24.09.2013



For and on behalf of the Board of Directors

(Signature)
Vijay Mohan
 Director

(Signature)
S.A.Gopalakrishnan
 Director



XENOS AUTOMOTIVE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2013

(Amount in ₹)

PARTICULARS	2012-13	2011-12
A. Cash flow from operating activities		
Profit / (Loss) Before Tax	(9,38,37,246)	(9,31,04,955)
Adjustments for:		
Depreciation for the year	30,28,574	31,19,932
Provision for doubtful debts (net)	89,64,515	61,19,064
Irrecoverable advance written off	91,131	2,72,195
Loss on sale of Fixed assets		20,18,114
Profit on sale of Fixed assets	(3,194)	
Interest Received	(19,86,948)	(21,94,421)
Finance Costs	1,05,60,549	1,00,99,050
	2,06,54,627	1,94,33,931
Operating profit before working capital changes	(7,31,82,619)	(7,36,71,022)
Adjustments for:		
Trade and other receivables	1,39,70,551	1,38,99,662
Inventories	32,88,019	2,13,79,469
Loan & advances	1,64,90,093	(45,33,028)
Trade and other Payables	(2,33,08,704)	63,61,988
	1,04,39,960	3,71,08,691
Cash Generated from operations	(6,27,42,659)	(3,65,62,931)
Direct Taxes		
Net cash flow from operating activities	(6,27,42,659)	(3,65,62,931)
B. Cash flow from investing activities		
Purchase of fixed assets	(59,09,245)	(45,49,324)
Sale of Fixed assets	15,100	6,63,268
Interest Received	20,23,527	24,70,585
Net cash flow from investing activities	(38,70,618)	(14,15,471)
C. Cash flow from financing activities		
Repayment of Long Term borrowings	(5,55,729)	2,24,157
Unsecured Loan	10,19,00,000	1,50,00,000
Working capital Loan	(2,17,06,885)	1,53,07,541
Finance costs	(1,05,60,549)	(1,00,99,050)
Net cash used in financing activities	6,90,76,837	2,04,32,648
Net increase/(decrease) in cash and cash equivalents (A+B+C)	24,63,560	(1,75,45,753)
Cash and cash equivalents as at 01.04.2012 & 01.04.2011 (Opening balance)	3,21,66,637	4,97,12,391
Less: Bank balances not considered as cash and cash equivalents as per AS3	2,68,24,185	2,64,75,861
Cash and cash equivalents as at 31.03.2013 & 31.03.2012 (Closing balance)	78,06,012	56,90,776

Vide our report of date attached

For Haribhakti & Co.
Chartered Accountants
Crm Registration No. 103523W

For and on behalf of the Board of Directors

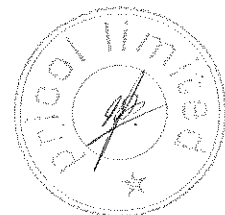
C.S.SATHYANARAYANAN
Partner
Membership No. 028328



Vijay Mohan
Director

S.A.Gopalakrishnan
Director

Place : Coimbatore
Date : 24.09.2013



XENOS AUTOMOTIVE LIMITED

NOTE NO: 1

I. SIGNIFICANT ACCOUNTING POLICIES:

(i) ACCOUNTING CONVENTION

The financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies are consistent with those used in the previous year.

(ii) USE OF ESTIMATES

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of Assets and Liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of Income and expenses during the year. Examples of such estimates include provision for doubtful debts, Employees' retirement benefit plan, provision for Income and other taxes, useful life of fixed assets, etc. Actual results could differ from the estimates made. Any revision to accounting estimates is recognized prospectively in the year in which the events are materialized.

(iii) FIXED ASSETS & DEPRECIATION

- a) Fixed Assets are stated at original cost net of tax / duty credits availed, if any, less accumulated depreciation, amortization and impairment. Cost includes preoperative expenses and all expenses related to acquisition and installation of the concerned assets.
- b) Depreciation is provided on the Written Down Value Method at the rates specified in Schedule XIV to the Companies Act, 1956.
- c) Individual Assets costing ₹ 5,000/- or less are depreciated fully in the year of purchase.

(iv) BORROWING COSTS

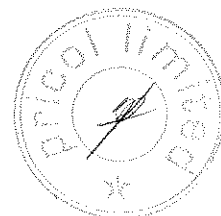
Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as part of the asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the statement of profit and loss.

(v) IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the carrying amount of fixed assets is tested for impairment so as to determine.

- a) the provision for impairment loss, if any, required or
- b) the renewal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.



(vi) **INVESTMENTS**

Current Investments are carried at lower of cost and market value. Long Term Investments are stated at cost. Provisions for diminution in value of long-term investments are made, if the diminution is other than temporary.

(vii) **INVENTORIES**

- a) Inventories are valued at lower of cost and estimated net realizable value. Cost is arrived at on weighted average basis.
- b) Customs Duty is added in the Closing Inventory of Finished Goods.

(viii) **FOREIGN CURRENCY TRANSACTIONS**

- a) Foreign Currency Transactions are recorded at exchange rates prevailing on the date of such transaction.
- b) Foreign Currency monetary assets and liabilities at the year end are realigned to the exchange rate prevailing at the year end and the difference on realignment is recognized in the Statement of Profit and Loss

(ix) **REVENUE RECOGNITION**

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

a) **Sale of Goods:**

Sales are recorded net of trade discounts, quantity discounts, rebates, indirect taxes and recognized when significant risks and rewards are transferred.

b) **Interest:**

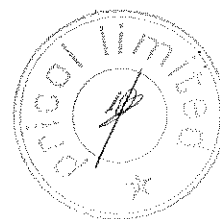
Interest income is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

c) **Dividend:**

Dividend income on investments is accounted for when the right to receive the payment is established.

d) **Others:**

Duty drawback entitlements on imported finished goods are accounted for as and when the eligibility is certain and the documentation is complete with the office of the Customs Department.



(x) TAXES ON INCOME

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(xi) RETIREMENT BENEFITS

a) Short-term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

b) Post employment and other long term benefits which are defined benefit plans are recognised as an expense in the statement of profit and loss for the year in which the employee has rendered service. The expense is recognised based on the present value of the obligation determined in accordance with Revised Accounting Standard 15 on 'Employee Benefits'. Actuarial gains & losses are charged to the statement of profit and loss.

c) Payments to defined contribution schemes are charged as expense as and when incurred.

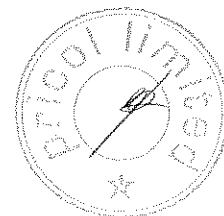
d) Termination benefits are recognised as an expense as and when incurred.

(xii) CASH AND CASH EQUIVALENTS

Cash flow are reported using the indirect method, where by net profit before tax is adjusted for the effects of transaction of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow comprises regular revenue generating, investing and financing activities of the company. Cash and cash equivalents in the balance sheet comprise of cash at bank and in hand and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(xiii) PROVISIONS

A provision is recognized when an enterprise has a present obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



XENOS AUTOMOTIVE LIMITED
Notes to Financial Statements

SHAREHOLDERS FUNDS
2.1 Share Capital

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
Authorised		
34,00,000 Equity shares of ₹10/- each	3,40,00,000	3,40,00,000
Issued, Subscribed and Paid up		
34,00,000 Equity shares of ₹ 10/- each Fully Paid up	3,40,00,000	3,40,00,000
	3,40,00,000	3,40,00,000

a) Terms /rights attached to equity shares:

The company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share.

b) Details of Shareholders holding more than 5% shares in the Company :

Name of the Share holders	Equity Shares			
	As at 31.03.2013		As at 31.03.2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Vijay Mohan	18,37,415	54%	18,37,415	54%
Pricol Holdings Limited	8,45,000	25%	9,00,000	26%
Mr. Vikram Sathyanathan	-	-	6,25,000	18%
Phi Capital Services Private Ltd	6,80,000	20%	-	-

c) Reconciliation of the Shares Outstanding at the beginning and at the end of the reporting period:

Equity Shares	Equity Shares			
	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	₹	No. of Shares	₹
Shares outstanding at the beginning of the Year	34,00,000	3,40,00,000	25,00,000	2,50,00,000
Shares issued during the Year	-	-	9,00,000	90,00,000
Shares bought back during the Year	-	-	-	-
Shares outstanding at the end of the Year	34,00,000	3,40,00,000	34,00,000	3,40,00,000

2.2 Reserves & Surplus

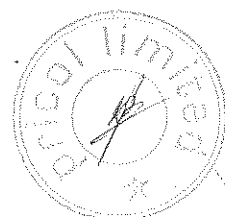
Particulars	As at 31.03.2013	As at 31.03.2012
Surplus/(Deficit) in the Statement of Profit & Loss		
Opening Balance	(48,57,12,152)	(39,26,07,197)
Add: Loss for the year	(9,38,37,246)	(9,31,04,955)
	(57,95,49,398)	(48,57,12,152)

2.3 Long Term Borrowings

Particulars	Non - Current Portion		Current Maturities	
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Secured Loans				
Term Loan - Others				
Vehicle Loans from Kotak Mahindra Prime Ltd	-	5,55,729	5,61,493	5,14,216
Unsecured Loans				
Loan from Director	28,19,00,000	18,00,00,000	-	-
	28,19,00,000	18,05,55,729	5,61,493	5,14,216

Vehicle loans from Kotak Mahindra Prime Ltd are Secured by way of hypothecation of vehicles procured out of such loans. The loans are repayable in 11 and 12 monthly equated installments respectively. Interest is payable on monthly basis and the rate of interest is in the range of 12% to 14% per annum.

Out of ₹28,19,00,000 Unsecured Loan from Director, ₹27,19,00,000 is interest free and ₹1,00,00,000 carries an interest rate of 17.44% per annum.



2.4 Other Long Term Liabilities

Particulars	As at 31.03.2013	As at 31.03.2012
Trade Payables (Dues to Related Party)	36,05,85,938	36,20,04,418
	36,05,85,938	36,20,04,418

2.5 Short Term Borrowings

Particulars	As at 31.03.2013	As at 31.03.2012
Secured Loans		
Working Capital Loans		
From Banks	5,97,89,156	6,39,96,040
Unsecured Loans		
Loan from Others		1,75,00,000
	5,97,89,156	8,14,96,040

Working Capital facility from Indian Overseas Bank is Secured by hypothecation of Stocks, Book debts and all other current assets, collaterally secured by Fixed assets of the Company and personally Guaranteed by the Director. It includes Buyers Credit facility under 180 days tenure against Import sight bills. Working capital facility is repayable on demand and carries interest rates varying from 14% to 16% per annum.

2.6 Trade Payables

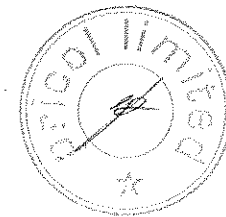
Particulars	As at 31.03.2013	As at 31.03.2012
Trade Payables	2,24,86,204	4,23,51,258
	2,24,86,204	4,23,51,258

(Includes dues to Related Party ₹ 19,25,500 & Previous Year is ₹ 17,84,374)

There are no Micro, Small and Medium Enterprises in respect of whom the company has outstanding as of the Balance Sheet Date. There are no interest paid/payable on account of overdue payments to Micro, Small and Medium Enterprises. The information in relation to dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the company and relied upon by the auditors.

2.7 Other Current Liabilities

Particulars	As at 31.03.2013	As at 31.03.2012
a) Current maturities of Long Term Borrowings	5,61,493	5,14,216
b) Accrued Employee Benefits	42,72,888	54,99,725
c) Advance from Customers	2,35,639	1,31,753
d) Statutory Dues Payable	28,83,579	26,53,474
e) Other Payables & Accruals	80,10,600	91,97,336
f) Interest Accrued but not due	43,714	-
	1,60,07,913	1,79,96,504



Notes to Financial Statements

2.8 FIXED ASSETS

(Amount in ₹)

Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 01.04.2012	Additions	Deletions	As on 31.03.2013	Upto 31.03.2012	For the Year	Withdrawn	Upto 31.03.2013	As on 31.03.2013	As on 31.03.2012
Office Equipment	66,91,067	6,06,545	-	72,97,612	25,80,404	6,51,663	-	32,32,067	40,65,545	41,10,663
Computer	96,74,760	4,54,757	15,100	1,01,14,417	78,79,578	8,53,139	3,194	87,29,523	13,84,894	17,95,182
Vehicles	32,46,861	-	-	32,46,861	16,88,380	4,03,491	-	20,91,871	11,54,990	15,58,481
Furniture & Fixtures	91,24,842	48,47,943	-	1,39,72,785	47,20,268	11,20,281	-	58,40,549	81,32,236	44,04,574
Total	2,87,37,530	59,09,245	15,100	3,46,31,675	1,68,68,630	30,28,574	3,194	1,98,94,010	1,47,37,665	1,18,68,900
Previous Year	2,96,04,649	45,49,324	54,16,443	2,87,37,530	1,64,83,759	31,19,932	27,35,061	1,68,68,630	1,18,68,900	1,31,70,890



2.9 Long Term Loans and Advances

Particulars	As at 31.03.2013	As at 31.03.2012
Unsecured Considered Good		
a) Capital Advances	-	30,51,000
b) Security Deposits	45,17,921	64,33,328
c) Advances to Related Parties (Refer Note No.2.31)	3,20,000	6,20,000
	48,37,921	1,01,04,328

2.10 Other Non - Current Assets

Particulars	As at 31.03.2013	As at 31.03.2012
Unsecured Considered Good		
Tax Payments Pending Adjustment	8,83,461	11,25,851
	8,83,461	11,25,851

2.11 Inventories

Particulars	As at 31.03.2013		As at 31.03.2012	
a) Stock-In-Trade				
1. Vehicle Security Systems (Four Wheeler & Two Wheeler)	81,94,877		1,52,32,899	
2. In Car Entertainment Accessories	1,70,19,594		2,34,21,099	
3. Speed Limitation Devices	-		4,84,907	
4. Reverse parking Sensors	1,32,98,530		74,42,862	
5. Others	2,67,54,869	6,52,67,870	1,33,38,444	5,99,20,211
b) Goods -In-Transit				
1. Vehicle Security Systems (Four Wheeler & Two Wheeler)	21,51,456		51,73,700	
2. Reverse parking Sensors	-		13,60,170	
3. Others	25,52,873	47,04,329	68,06,136	1,33,40,006
		6,99,72,199		7,32,60,217

2.12 Trade Receivables

Particulars	As at 31.03.2013		As at 31.03.2012	
a) Outstanding for a period exceeding six months				
(i) Unsecured considered Good		52,85,520		2,79,55,990
(ii) Unsecured considered Doubtful	2,59,89,237		1,65,11,313	
Less : Provision for Doubtful Debts	2,59,89,237		1,65,11,313	
b) Outstanding for a period less than six months				
(i) Unsecured considered Good		5,26,08,041		5,26,44,232
(ii) Unsecured considered Doubtful	17,31,115		22,44,524	
Less : Provision for Doubtful Debts	17,31,115		22,44,524	
		5,78,93,561		8,06,00,222

2.13 Cash and Cash Equivalents

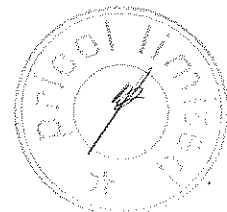
Particulars	As at 31.03.2013		As at 31.03.2012	
Cash On Hand	2,45,510		2,91,372	
Balances with Scheduled Banks				
- In current Account	75,60,503		53,99,404	
- In Margin Money/Fixed Deposit #	2,68,24,185		2,64,75,861	
		3,46,30,198		3,21,66,637

Fixed Deposits with Banks includes of ₹ 2,29,14,318 (Previous Year - ₹ 2,29,96,293) under (ten with bank for Guarantee issued to Pricol Limited and ₹ 29,94,640 (Previous Year - ₹ 26,36,644) towards margin money for issue of Letter of Credits and bank Guarantee.

Of the above the balances that meet the definition of Cash and Cash equivalents as per AS 3 Cash flow Statement is

78,06,013

56,90,776



2.14 Short Term Loans and Advances

Particulars	As at 31.03.2013	As at 31.03.2012
Unsecured Considered Good		
a) Advances to Related Parties (Refer Note No.2.31)	-	3,81,168
b) Advances to Suppliers	51,65,945	1,10,95,370
c) Advances to Employees	19,16,174	26,03,080
d) Balances with Government Authorities	37,48,416	84,05,092
e) Pre Paid Expenses	7,29,919	3,56,815
f) Gratuity - Net	4,35,260	4,69,006
	1,19,95,714	2,33,10,531

2.15 Other Current Assets

Particulars	As at 31.03.2013	As at 31.03.2012
Unsecured Considered Good		
Interest Accrued	2,18,532	2,55,111
Others	50,562	-
	2,69,094	2,55,111

2.16 Revenue from Operations

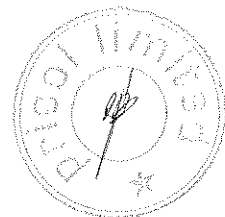
Particulars	2012-13	2011-12
Sale of Products	23,62,52,949	34,84,90,221
Sale of Services	1,84,35,435	2,04,21,803
	25,46,88,384	36,89,12,024
Details of Product Sold :-		
1. Vehicle Security Systems (Four Wheeler & Two Wheeler)	7,00,81,517	12,08,23,420
2. In Car Entertainment Accessories	6,79,43,683	7,34,45,029
4. Reverse parking Sensors	4,81,58,207	4,44,62,279
3. Speed Limitation Devices	3,03,599	5,36,58,973
5. Others	4,97,65,943	5,61,00,520
	23,62,52,949	34,84,90,221

2.17 Other Income

Particulars	2012-13	2011-12
Interest Income	19,86,948	21,94,421
Scrap Sales	4,89,033	3,71,673
Profit on Sale of Assets	3,194	-
Provision for doubtful debts reversed	10,64,164	59,02,728
	35,43,339	84,68,822

2.18 Changes in Inventories

Particulars	31.03.2013	31.03.2012	(Increase) / Decrease
Inventories at the end of the Year			
1. Vehicle Security Systems (Four Wheeler & Two Wheeler)	1,03,46,333	2,04,06,599	1,00,60,266
2. In Car Entertainment Accessories	1,70,19,594	2,34,21,099	64,01,505
3. Speed Limitation Devices		4,84,907	4,84,907
4. Reverse parking Sensors	1,32,98,530	88,03,032	(44,95,498)
5. Others	2,93,07,742	2,01,44,580	(91,63,162)
	6,99,72,199	7,32,60,217	32,88,018
Inventories at the beginning of the Year			
1. Vehicle Security Systems (Four Wheeler & Two Wheeler)	2,04,06,599	53,09,003	(1,50,97,595)
2. In Car Entertainment Accessories	2,34,21,099	2,26,63,119	(7,57,980)
3. Speed Limitation Devices	4,84,907	95,80,142	90,95,235
4. Reverse parking Sensors	88,03,032	84,08,229	(3,94,803)
5. Others	2,01,44,580	4,86,79,193	2,85,34,613
	7,32,60,217	9,46,39,686	2,13,79,469
(Increase)/Decrease in Inventories of Stock-In-Trade and Components	32,88,018	2,13,79,469	



2.19 Employee Benefits Expenses

Particulars	2012-13	2011-12
Salary, Stipend and Allowances	6,03,58,897	6,55,14,962
Contribution to Provident and Other Funds	18,00,719	23,89,582
Staff Welfare Expenses	13,77,576	18,75,624
	6,35,37,192	6,97,80,168

2.20 Finance Costs

Particulars	2012-13	2011-12
Interest on Loans	1,05,60,549	1,00,75,240
Other Borrowing Costs	-	23,810
	1,05,60,549	1,00,99,050

2.21 Other Expenses

Particulars	2012-13	2011-12
Business Promotion Expenses		
Carriage Outward	37,38,294	77,80,326
Packing Charges	94,17,554	85,95,359
Advertisement	8,21,540	15,08,111
Repairs and Maintenance :	16,63,696	49,136
- Tools		
- Vehicle Maintenance	3,37,069	5,53,627
- Computer Maintenance	1,88,428	1,96,024
- Others	2,42,402	7,43,579
Travelling and Conveyance	22,19,396	24,01,479
Rent	1,57,67,756	1,78,99,701
Postage, Telephone and Internet charges	1,10,17,457	1,23,69,091
Rates & Taxes	38,58,763	40,66,257
Office Expenses	25,04,278	26,34,257
Printing and Stationery	8,54,509	16,99,568
Legal and Professional Charges	6,98,622	7,77,288
Bank Charges	74,21,072	53,91,953
Exchange Rate Difference (Net)	24,83,153	28,95,855
Electricity Charges	14,02,843	-
Auditor's remuneration	9,86,024	8,81,053
Insurance	2,64,046	2,84,568
Loss on Sale of Assets	4,72,302	4,73,331
Provision for Doubtful Debts	-	20,18,114
Irrecoverable Advances Written-Off	1,00,28,679	1,20,21,792
	91,131	2,72,195
	7,64,79,014	8,55,12,663

2.22 Contingent Liabilities and Commitments as on the Closing Date

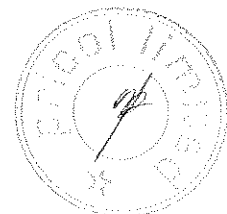
Particulars	As at 31.03.2013	As at 31.03.2012
Sales tax Matters	2,21,404	2,21,404
Bank Guarantee to Pricol Limited	2,10,00,000	2,10,00,000
Letter of Credit	7,96,242	42,18,302
	2,20,17,646	2,54,39,706

2.23 Expenditure in Foreign Currency

Particulars	2012-13	2011-12
CIF Value of Imports		
Stock-in-Trade	10,34,04,478	10,70,68,879
Components	1,67,93,144	2,35,03,127
Foreign Travel	27,31,971	32,30,300
	12,29,29,593	13,38,02,306

2.24 Remuneration to Auditors

Particulars	2012-13	2011-12
For Statutory Audit	1,50,000	1,50,000
For Taxation matters	60,000	82,500
For Other Services	25,000	24,000
Service Tax	29,046	28,068
	2,64,046	2,84,568



2.25 Earnings Per Share

Particulars	2012-13	2011-12
Profit / (Loss) After Tax	(9,38,37,246)	(9,31,04,955)
Equity Share of ₹10/- Each (Nos.)	34,00,000	34,00,000
Weighted Average No of Shares	34,00,000	29,93,151
Earnings Per Share (Basic & Diluted) (In ₹)	(27.60)	(31.11)

2.26 Operating Lease

The Company has entered into operating leases, having a lease period ranging from one year to five years, with an option to renew the lease.

The future minimum lease payments are as follows:

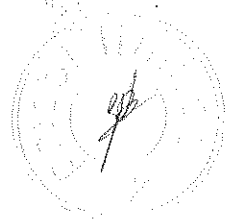
Particulars	2012-13	2011-12
Within one year	11,61,268	91,22,854
After one year but not more than five years	27,95,221	1,90,97,117
More than five years	2,32,31,254	1,65,62,442

2.27 Particulars regarding Defined Benefit Plan

The Company operates a defined benefit plan for payment of post employment benefits in the form of Gratuity. Benefits under the plan are based on pay and years of service and are vested on completion of five years of service, as provided in the payment of Gratuity Act, 1972. The terms of the benefits are common for all the employees of the company.

Particulars	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Principal Actuarial Assumptions : (Expressed as weighted averages)				
Discount Rate	8.00 % p.a	8.00 % p.a	8.00 % p.a	8.00 % p.a
Salary escalation rate	6.50% p.a	6.50% p.a	6.50% p.a	6.50% p.a
Expected rate of return on plan Assets	8.00 % p.a	8.00 % p.a	8.00 % p.a	8.00 % p.a
Changes in the present value of the obligation:				
Present Value of Obligations as at the beginning of the period	9,03,151	11,59,171	10,44,008	7,49,880
Interest cost	72,252	92,734	83,521	59,990
Current service cost	3,38,837	3,54,797	3,01,974	2,76,646
Past service cost - (vested benefits)	-	-	-	-
Benefits paid	(3,83,646)	(4,28,052)	(4,20,266)	(53,365)
Actuarial loss / (gain) on obligation (balancing figure)	(2,37,249)	(2,75,499)	1,49,934	10,857
Present Value of Obligations as at the end of the period	6,93,345	9,03,151	11,59,171	10,44,008
Changes in the fair value of plan assets:				
Fair value of plan assets as at the beginning of the period	13,72,157	14,10,487	14,42,810	10,95,255
Expected return on plan assets	1,09,401	1,17,466	1,20,734	97,175
Contributions	30,693	2,72,256	2,67,209	3,03,745
Benefits paid	(3,83,646)	(4,28,052)	(4,20,266)	(53,365)
Actuarial(gain)/ loss on plan assets	-	-	-	-
Fair value of plan assets as at the end of the period	11,28,605	13,72,157	14,10,487	14,42,810
Actual return on plan assets :				
Expected return on plan assets	1,09,401	1,17,466	1,20,734	97,175
Actuarial(gain)/loss on plan assets	-	-	-	-
Actual return on plan assets	1,09,401	1,17,466	1,20,734	97,175
Actuarial(gain)/ Loss recognized :				
Actuarial (gain) / loss for the period - Obligation	(2,37,249)	(2,75,499)	1,49,934	10,857
Actuarial(gain)/ loss for the period - plan assets	-	-	-	-
Total (gain) / loss for the period	(2,37,249)	(2,75,499)	1,49,934	10,857
Actuarial (gain)/loss recognised in the period	(2,37,249)	(2,75,499)	1,49,934	10,857
Unrecognized actuarial (gain) / loss at the end of the year	-	-	-	-
Amounts recognised in the balance sheet:				
Present value of the obligation	6,93,345	9,03,151	11,59,171	10,44,008
Fair value of plan assets	11,28,605	13,72,157	14,10,487	14,42,810
Difference	4,35,260	4,69,006	2,51,316	3,98,802
Net asset/ (Liability) recognised in the balance sheet	4,35,260	4,69,006	2,51,316	3,98,802
Expense recognised in the statement of profit and loss :				
Current service cost	3,38,837	3,54,797	3,01,974	2,76,646
Interest cost	72,252	92,734	83,521	59,990
Expected return on plan assets	(1,09,401)	(1,17,466)	(1,20,734)	(97,175)
Net actuarial (gain)/ loss recognised in the year	(2,37,249)	(2,75,499)	1,49,934	10,857
Past service cost-vested benefits	-	-	-	-
Expenses recognised in the statement of profit and loss	64,439	54,566	4,14,695	2,50,318
Amount for the current period :				
Present Value of Obligation	6,93,345	9,03,151	11,59,171	10,44,008
Plan Assets	11,28,605	13,72,157	14,10,487	14,42,810
Surplus/(Deficit)	4,35,260	4,69,006	2,51,316	3,98,802
Major Categories of plan assets : (as percentage of total plan assets)				
Funds Managed by Insurance Companies	100%	100%	100%	100%

Since the data is not available for Financial Year 2008-09 the information has not been furnished.



2.28 Balances in parties accounts are subject to confirmation/reconciliation. Appropriate adjustments, if any, will be made as and when the balances are

2.29 The Company has accumulated loss of ₹ 57,95,49,398/- and its Net Worth is fully eroded. The Promoters have committed to financially support the Company and accordingly, the accounts have been prepared on Going Concern basis.

2.30 Income tax assessments are completed upto Assessment Year 2010-11

2.31 List of Related parties with whom transactions have been taken place during the year 2012-13 and Relationship :
Key Management Personnel : Mr. Vijay Mohan, Others : (Enterprises over which key management personnel are able to exercise significant influence) Pricol Limited, Pricol packaging Limited, Pricol Technologies Limited, Pricol Properties Limited, M&M Enterprises (India) Limited, Ellargi & Co, Pricol Travel Limited, Pricol cargo.

Nature of Transaction	Key Management Personnel		Others	
	2012-13	2011-12	2012-13	2011-12
Purchases	.	.	20,80,259	1,27,40,500
Sales	.	.	.	81,830
Service Received	.	.	52,76,671	60,09,501
Service rendered	.	.	88,39,869	49,62,000
Reimbursement of expenses	.	.	2,500	44,440
Interest paid to Directors	17,44,080	17,44,080	.	.
Unsecured Loan from Director	10,19,00,000	1,50,00,000	.	.
Dues to & Receivables from Related Parties :				
Dues to Related parties	28,19,00,000	18,00,00,000	.	36,38,51,437
Receivable from Related Parties	.	.	.	10,01,168

vide our report of date attached
For Haribhakti & Co,
Chartered Accountants
Firm Registration No. 103423W
C/S. SATHYANARAYANAN
Partner
Membership No. 028328

Place : Coimbatore
Date : 24.09.2013



For and on behalf of the Board of Directors

J. Jaymohan

Vijay Mohan
Director

S.A. Gopalakrishnan

S.A. Gopalakrishnan
Director

